1. Please provide an overview of what happened in your State during the reporting period as it relates to health care for low income, uninsured children and families. Include a description of the political and fiscal environment in which your State operated.

Despite a severe budget crisis, the Arizona legislature approved state funds to cover HIFA parents up to 200 percent of the FPL.

2. During the reporting period, what has been the greatest challenge your program has experienced?

- a. A common barrier to ensuring that children receive medical services is the fact that their families may not have adequate transportation. Contractors provide transportation to medically necessary services. Despite contractors' attempts to educate members, many families seem to be unaware of transportation services or do not use them appropriately. This has recently been identified as an area requiring improved member education.
- b. Provider capacity for some services, particularly dental, is limited in some areas of the state. AHCCCS contractors often have difficulty contracting with an adequate number of providers, particularly in rural areas. A statewide coalition with AHCCCS, health plans, dental providers and others has been formed to address the problem in relation to dental services and some progress is being made to recruit dentists to outlying communities.
- c. Data collection for evaluation of services provided under SCHIP, as well as those provided to members in other eligibility categories, continues to be a challenge. In a managed care program, collecting encounter data to evaluate utilization of services is difficult. Providers are paid on a capitated basis. With most well-child services covered under this method of reimbursement, they are not well motivated to submit all encounters. AHCCCS and its contractors are working on ways to overcome this barrier. Contractors are focusing on better provider education about EPSDT standards and requirements, coding seminars specific to an area of concern for provider office staff, and closer monitoring of encounter reporting.

Despite these challenges, AHCCCS and its contractors have improved the percentage of children and adolescents who receive preventive and primary care, as evidenced by Performance goals discussed in Section 1.

3. During the reporting period, what accomplishments have been achieved in your program?

Accomplishments regarding Community Based Outreach/Education/Interventions are as follows:

- The "pulling together" of the KidsCare Outreach team to address outreach/education issues
- Development of community partners to assist with outreach/education
- Developed "Assistance Guide for the AHCCCS Application for Medical Benefits" which is available to community groups/agencies that want to assist their clients in applying for AHCCCS
- Held focus groups with groups/agencies/advocacy groups to request their input in revising the AHCCCS Application for Medical Benefits
- Community Relations Administrator made 45 presentations and trainings, participated in 17 health fairs and 7 conferences

Healthcare oriented efforts are as follows:

AHCCCS, in partnership with its contractors, strives to decrease the barriers members may experience in receiving services, especially preventive care for children and adolescents. High levels of immunization of young children in the state are the result of joint efforts of AHCCCS, its contractors and their provider networks, the Arizona Department of Health Services, and community organizations participating in The Arizona Partnership for Immunization (TAPI). A significant accomplishment in the current reporting period is the narrowing of the gap between immunization rates of children enrolled in KidsCare and those enrolled under Medicaid. As previously mentioned, immunization rates for KidsCare members have actually surpassed those of Medicaid members in most categories of vaccinations.

In addition, the gap in access to PCPs between Medicaid and KidsCare populations has narrowed significantly. AHCCCS will continue to work with contractors to ensure that an increasing proportion of all enrolled children receive primary and preventive services.